



K21U 1592

Reg. No. : .....

Name : .....



V Semester B.Com. Degree (CBCSS - Sup./Imp.)  
Examination, November 2021  
(2015 - '18 Admns.)  
Core Course  
5B11COM : CORPORATE ACCOUNTING

Time : 3 Hours

Max. Marks : 40

PART - A

Answer all questions. Each carries  $\frac{1}{2}$  mark.

1. Conversion of shares of smaller denomination into large denomination are called
2. The directors must submit to the liquidators statement of affairs within \_\_\_\_\_ days.
3. Unexpired discounts is
4. Write an example of contingent liability. (4x $\frac{1}{2}$ =2)

PART - B

Answer any four questions. Each carries 1 mark.

5. What is compulsory winding up ?
6. What is NPA ?
7. What is realization account ?
8. What do you mean by sub division of shares ?
9. What is internal reconstruction ?
10. Who is a contributory ? (4x1=4)

P.T.O.



## PART – C

Answer **any six** questions (**not exceeding one page**). **Each** carries **3** marks.

11. What is Slip system of posting ? What are its advantages ?

12. Calculate rebate on bills discounted as on 31<sup>st</sup> March 2010.

Date of bill	Amount	Period of bill	Rate of discount
20/01/10	80,000	5 months	16%
10/02/10	40,000	4 months	18%
15/03/10	60,000	2 months	15%

13. Trial Balance (Extract) on 31/3/11.

Items	Debit (Rs.)	Credit (Rs.)
Advance income tax 2009-10	80,000	
Advance income tax 2010-11	85,000	
Provision for tax 2009-10		76,000

**Adjustments :**

1) The income tax assessment of 2009-10 completed during the year showed a tax liability of Rs. 93,000 but no effect has been given for this in the account.

2) Provision for income tax is to be made for Rs. 84,000 for 2010-2011.

Show Journal Entries and Ledger Accounts.

14. Explain the different methods of calculating purchase consideration.

15. On 1<sup>st</sup> March 2010 a bill of Rs. 5,00,000 is discounted with a bank @ 18% per annum. The due date of the bill is 30<sup>th</sup> April 2010. Pass necessary journal entries in the books of the bank assuming that the bill is collected on the due date. Accounting year closes on 31<sup>st</sup> March every year.



16. A limited company went into voluntary liquidation with the following liabilities :

Creditors		Rs. 12,000
Bank overdraft		20,000
Capital :		
10,000 Preference shares of Rs. 10 each		
Rs. 7 called up (with prior rights)		70,000
10,000 ordinary shares of Rs. 10 each Rs. 9 called up	90,000	
Less : calls in arrears	<u>2,000</u>	88,000
Cash received in anticipation of call :		
On preference shares	24,000	
On ordinary shares	<u>4,000</u>	28,000

The assets realised Rs. 2,00,000. Expense on liquidation amounted to Rs. 2,000 and liquidators remuneration Rs. 3,000. Prepare liquidators final statement of accounts.

17. H Ltd. was incorporated on 1<sup>st</sup> April 2003 to acquire the business of Haris and sons as a going concern with effect from 1<sup>st</sup> January 2003. The total sales for the year ended 31<sup>st</sup> December 2003 amounted to Rs. 3,00,000 of which Rs. 1,00,000 related to the first three months. The Profit and Loss Account of the company for the year stood as follows.

**Statement of P/L Account**

<b>Particulars</b>	<b>Amount</b>
I Revenue from Operation (G)	60,000
II Add : Other Income	Nil
III Total Revenue	<u>60,000</u>



IV Less : Expenses :	
Employee benefit expenses	8,000
Finance cost (debenture interest)	1,000
Other Expenses :	
Rent	2,000
Sales commission	6,000
Discount	3,000
Directors fees	4,200
Audit fee	1,800
Bad debts	<u>1,500</u>
Total Expenses	<u>27,500</u>
V Net profit	32,500

You are required to prepare a Profit and Loss Account showing the profits earned during pre and post incorporation periods.

18. What is statement of affairs ? What are its contents. (6×3=18)

#### PART – D

Answer **any two** questions. **Each** question carries **8** marks.

19. Samaj Bank Ltd. with an authorised share capital of Rs. 10,00,000 in Rs. 10 shares present you the following balances as on 31<sup>st</sup> March 2009 from which you are required to prepare the Balance Sheet in the prescribed form.

Subscribed and called up share capital	10,00,000
Profit balance on 1 <sup>st</sup> April 2008	1,10,000
Cash credit and overdraft	40,00,000



Term Loans	50,00,000
Bills purchased and discounted	10,00,000
Current deposit	30,00,000
Savings bank deposit	32,00,000
Fixed deposit	48,00,000
Cash in hand	3,00,000
Calls in arrear	10,000
Cash with RBI	5,00,000
Money at call and short notice	8,00,000
Investment in Government securities	12,00,000
Land and Building	10,30,000
Furniture	50,000
Interest accrued on loans	1,50,000
Stamps and Stationery	3,000
Rebate on bills discounted	12,000
General reserve	60,000
Statutory Reserve	7,00,000
Profits of the current year before appropriation under sec. 17	6,00,000
Borrowing from banks	4,53,000
Unclaimed dividend	8,000
Balance with banks	5,00,000
Bills payable	6,00,000

Claims against the banks not acknowledged as debt amounted to Rs. 80,000.  
The bankers' acceptance on behalf of customers amounts to Rs. 3,00,000.  
Bills for collection amounted to Rs. 1,30,000.



20. The following is the Balance Sheet of Hard Luck Ltd. as on 31<sup>st</sup> December 2016.

**Balance Sheet as at 31<sup>st</sup> December 2016**

Particulars	Note No.	Amount (Rs.)
<b>I Equity and Liabilities :</b>		
1) Shareholders Fund		
• Equity share capital		20,00,000
• Reserves and Surplus (P/L A/c)		(1,90,000)
2) Non Current liabilities		
		Nil
3) Current liabilities		
* Trade payable (Creditors)		15,00,000
<b>Total</b>		<b>33,10,000</b>
<b>II Assets</b>		
1) Noncurrent assets		
• Fixed assets :		
i) Tangible assets (Plant and Machinery)		17,00,000
ii) Intangible assets (Goodwill)		5,00,000
2) Current Assets :		
i) Inventories		8,00,000
ii) Trade receivable		3,00,000
iii) Cash		10,000
<b>Total</b>		<b>33,10,000</b>



The following scheme of reconstruction was approved by the court.

- 1) To reduce the paid up capital by Rs. 5 per share.
- 2) To write off goodwill and debit balance of P/L A/c.
- 3) To write down the plant and machinery by Rs. 3,10,000.

Give journal entries to implement the scheme, prepare capital reduction account and the Balance Sheet after the implementation of reconstruction scheme.

21. Explain the following terms.

- a) Liquidators final statement of account
- b) Capital reduction account
- c) Contingent liability
- d) Rebate on bills discounted.

(2×8=16)

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